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SUBJECT: MGLE01: GOL PROPOSES NEW PROGRAM FOR PALESTINIAN REFUGEES

 $\P1$. (U) This messsage contains an action request. See para $\P24$.

SUMMARY

- 12. (U) PM Siniora called a 5/5 meeting of foreign ambassadors assigned to Lebanon to explain a comprehensive government-approved program of improvements for the Palestinian refugee camps located throughout the country. Siniora explained that deteriorating health and living conditions, longstanding neglect of water, sewer and electrical infrastucture, and a worsening security environment have made improvements to the camps a high priority goal of his government. Over the past several weeks, GOL has worked with UNRWA to develop a list of projects that would address the most serious deficiencies. UNRWA Director Richard Cook briefed the meeting on the four-year, 32 project, USD 50 million program. Siniora asked the assembled envoys to request immediate funding support from their respective governments. Reaction from attendees was generally supportive, although concerns were expressed over funding sources, as well as possible political ramifications resulting from popular anxiety in Lebanon that Palestinian refugees intend to settle in the confessionally-balanced Lebanese society. End summary.
- 13. (U) PM Fouad Siniora informed his audience of approximately 22 envoys that his government has decided to take immediate and significant action to improve living conditions in Lebanon's 12 Palestinian refugee camps, and he was asking concerned governments to assist the GOL in the effort. Admitting that serious problems in the camps have festered for decades, Siniora argued that unless substantive action was taken, the camps could become violent incubators of radicalism and instability. He admitted that the GOL had allowed the situation to worsen due to a lack of confidence in the ability of the state to provide refugees an acceptable standard of life, while not encouraging them to settle permanently in Lebanon.

IMPORTANT FOR REGIONAL STABILITY

14. (U) Due to his government's own economic difficulties, Siniora said Lebanon was seeking cooperation and funding commitments from its friends in the international community. He indicated it was important for regional stability to address some of the solvable grievances of the Palestinian community, and specifically, the lack of decent living

conditions and the inability to earn a livelihood.

- 15. (U) The pro-reform Prime Minister conceded that Lebanon's own history -- civil war, political instability, an unpredictable security environment -- had exacerbated conditions for refugees in the camps, but he insisted that almost all Lebanese now recognize that the impoverished state of the refugees is unacceptable for a country that considers itself a responsible member of the international community.
- 16. (U) As he has explained in other fora, PM Siniora listed four "pillars" of his government's new Palestinian policy: genuine improvement in living conditions, establishment of formal bilateral relations with the Palestinian people, disarming Palestinian militias located outside the camps, and finally, disarming militias in the camps themselves while re-establishing GOL authority. Siniora emphasized his government's intent to assume full responsibility for the security of the camps by declaring, "It is the right of the State to be the sole holder of arms in Lebanon."
- 17. (U) Siniora also stressed that the four policy objectives were equal in importance and the accomplishment of each would be independent of the others. Siniora maintained that one objective would not be predicated on another. And to the best of its ability, Siniora promised that his government would move forward on all four tracks simultaneously.

STEPS ALREADY TAKEN

 $\P 8$. (U) Siniora claimed that his Cabinet had already taken some steps to improve refugee living standards.

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Specifically, he said LAF troops now allowed building materials into the camps to fulfill longstanding renovation needs. Additionally, the Labor Ministry was currently expediting the issuance of work permits to qualified refugees. Although they are not yet implemented, the government will soon permit the ownership of real estate and stop the practice of canceling travel documents of refugees who work abroad. In Siniora's view, these steps, along with the first-ever visit of Cabinet ministers to the camps, will not only improve living conditions, but should also provide assurance to the refugee community that the Lebanese government is credible and committed to addressing the refugee issues seriously.

19. (U) The Prime Minister said that Lebanon wanted to help Palestinian refugees "preserve their identity until they find a way to return to a homeland." To do otherwise, he argued, would ignore a "time bomb" of grievances. He said the reports of his ministers convinced him that the situation was building to the point "where desperate people would resort to desperate measures." He acknowledged the generous role already played by the international community, but emphasized that not only would this program address longstanding needs of the Palestinian refugee community, but would also provide important support for the creation of a secure, stable environment in Lebanon.

UNRWA DIRECTOR EXPLAINS PROGRAM'S GOALS

110. (SBU) Richard Cook, Director of UNRWA Affairs, Lebanon, supported the Prime Minister's contention that conditions in Lebanon's refugee camps were approaching a crisis. Problems of population density, crumbling infrastructure, health issues, and squalor rivaled anything he had witnessed in his several decades of refugee work. He pointed out tht the original 12 camps in Lebanon were designed in 1950 for approximately 127,000 refugees, while today they served several times that number. Cook enumerated the factors he felt would inevitably lead to violence: severe overcrowding,

no room to build badly needed education and health facilities, the poor security situation, impending structural failure in many buildings, degraded (or totally absent) water, sewer and electrical services, no space or facilities for increased numbers of refugee children, widespread unemployment, and increasing environmental damage to surrounding Lebanese communities. Cook asked how one could not expect problems when 100 percent of the community tried to exist well below the poverty line.

¶11. (SBU) UNRWA Director Cook informed his listeners that despite increasing responsibilities, especially from an increasing population of unregistered refugees, his organization was now seriously challenged by a slower growth of available resources. He stated that UNRWA's 2005 Medium Term Plan was developed to achieve minimum international standards for refugees in Lebanon, but the majority of the planned projects remain unfunded and still on the drawing board.

32 PROJECTS, USD 50 MILLION REQUIRED

- 112. (SBU) As a result of these shortfalls, UNRWA and the Government of Lebanon decided to jointly develop a comprehensive list of critical projects that could be evaluated by the donor community as an integrated solution to the refugee camps' most glaring problems. The proposed four-year program (2006-2009) would require USD 50.4 million and comprises 32 projects that address each refugee camp in the country. (Note: The UNRWA project list has been transmitted to the Regional RefCoord. The UNRWA Director said he will submit an updated version of the briefing paper to the UNRWA Advisory Commission at the next meeting in Amman in June 2006. End note.) If fully implemented, the 32 projects would address the most serious infrastructure deficiencies and, according to UNRWA, would dramatically improve living, and especially health, standards in Lebanon's Palestinian refugee community.
- 113. (SBU) The proposed projects are set out in three prioritized categories in the event the program cannot be fully funded. There are nine projects on the "critical list" which are considered essential by the UN agency. These

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projects, which mainly address needs in the Ain el-Hilweh, Shatila, and Bourj Barajneh refugee camps, would require USD 29.8 million over four years.

114. (SBU) Director Cook concluded his brief by noting this was the first time the Lebanese government had "opened the door" to a focused, comprehensive effort to improve the living conditions of the Palestinian refugee community. The UN Director urged donor countries to take this into consideration in their evaluation of the request.

REACTION FROM ATTENDEES

- 115. (SBU) The Kuwaiti ambassador commented his country had always supported the Palestinian refugee community and would continue to do so with this request. But he stated his country believes the entire international community has a responsibility to assist the effort. He also suggested that UNRWA and GOL approach the business community to determine if additional funding would be available from that source.
- 116. (SBU) The Italian ambassador noted dryly that his government had not been consulted on what appeared to be a major initiative that would have a significant impact on his country's foreign assistance package. He also commented that Italy already supports several refugee projects through NGOs and the GOL directly. Nevertheless, the envoy acknowledged the value of the initiative and would convey the request for new funds.

- 117. (SBU) The French ambassador commended the Siniora government and UNRWA for the decision to develop a "fresh approach," but also noted that France already contributes significantly to NGOs and UNRWA. He also asked those present to consider a "global approach" for Palestinian issues, including the current challenge of how to assist the Palestinian people, without assisting their government.
- 118. (SBU) Norway applauded GOL's change in policy, but asked "where would the plan go from here?" He asked those present whether their governments would simply move donated funds from UNRWA's General Fund to the program being discussed, or would contribute new funds. He also asked UNRWA to be careful not to overload the donor system.
- 119. (SBU) Ambassador Feltman reminded the meeting that the USG already was the largest contributor to UNRWA, but would carefully consider the new proposal. The Ambassador expressed appreciation for the GOL's new Palestinian policy and UNRWA's program initiative, but also asked the government to take steps to ensure that donor countries would be insulated from accusations of trying to advance political agendas inimicable to Lebanon.
- 120. (SBU) The Canadian ambassador stated his nation has always been a strong advocate for the Palestinian refugee community and regularly funds projects through UNRWA, the Canadian Embassy, and NGOs. He reminded PM Siniora and his colleagues that Canada had sometimes been perceived as "being too keen" in helping Palestinians, but assured the Prime Minister his country would study the current request.
- 121. (SBU) The German ambassador said his country would look favorably on the program, but also asked Siniora to consider an immediate and full implementation of the much-discussed GOL decree to issue work permits to qualifying refugees. He said he understood the limited means of GOL to provide funds, but believed work permits were almost cost-free and held important symbolic value. PM Siniora responded that his government was already looking into the issue, but was waiting for recommendations from a labor conference currently being conducted by the Swiss Embassy in Beirut.
- 122. (SBU) The Japanese ambassador commented he had heard rumors that Siniora's government would be holding a "refugee donors conference" to raise further funds. Siniora remarked that it would be far better if the funds could be obtained without yet another conference.

SINIORA'S CONCLUSION

 $\ \underline{\ }$ 23. (U) PM Siniora concluded by stating that the GOL was BEIRUT 00001482 004 OF 004

not only addressing urgent refugee needs, but was also attempting to set an example for the region, that is, by answering legitimate grievances through peaceful cooperative efforts. He believed that, if successful, this program could significantly contribute to the disarmament of Palestinian militias, as well as security and stability, not only in Lebanon, but in the region as well.

124. (U) Action request: Post requests Department guidance in responding to this GOL refugee initiative. FELTMAN